

Rick Carter and Gayle Kvenvold: Care for Grandma must be part of public debate this fall

Rick Carter and Gayle Kvenvold

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The older adult service system in Minnesota increasingly depends on working women in poverty caring for elderly women in poverty.

This reality came to mind while reading reports of Gov. Tim Pawlenty's comments to Minnesota business leaders last month. Two of the most significant challenges facing Minnesota, said the governor, are the aging population and the rapid increases in the state's health and human services budget.

The governor is right on both counts. According to the U.S. Census, the number of Minnesotans over age 60 is expected to increase 70 percent by 2020, with the fastest growth coming in the over-85 age group. These demographic changes and the rising cost of health care threaten to consume the state's budget if not checked, said the governor.

Unfortunately, Minnesota's policy choices in recent years haven't created more affordable options for older adult care; rather, they've ignored reality. The Legislature has frozen the rates paid to nursing homes and those who provide care in senior housing, to help fix the state's budget deficits.

Certainly, many legislators from both sides of the aisle continue to be strong supporters of older adult services. But while reimbursement for care is frozen, the costs of food, energy and insurance are skyrocketing. Liability insurance premiums, for example, have risen from an average of \$167 per bed in 1999 to \$579 per bed last year -- an increase of more than \$40,000 for a 100-bed facility.

Increasingly, Minnesota's tradition of providing outstanding care to our elderly is dependent on women willing to work for wages at or below the poverty level. The median pay for a nursing assistant (most of whom are women) in a Minnesota nursing home is about \$22,700 -- not much higher than the federal poverty guidelines for a family of four.

Who receives care from these impoverished caregivers? For the most part, elderly women. Nationally, more than two-thirds of patients with at least one stay at a nursing facility under their belts are women. Minnesota's situation is comparable.

We don't think this is the kind of public policy Minnesota wants for older adults. Unfortunately, discussion of issues like older adult services is getting lost in the public's focus on presidential politics. We hope the governor's comments will elevate this issue in the state's House elections. There are solutions, and candidates and voters need to be discussing them this fall.

First, we need a thoughtful policy to make sure that, for those who need them, Minnesota is adequately served by nursing homes. In many parts of the state, care centers barely get by on shoestring budgets and rely on staff members staying in their jobs despite low wages. Others close.

That's not much of a policy if your elderly parents live in an area like Marshall County in northwestern Minnesota. The entire county is served by one nursing home that is near full occupancy. The state allows this nursing home to charge a rate of just \$124 per day -- about the cost of a mid-range hotel in many cities. Yet, that rate must cover not just the cost of a room, but also 24-hour-a-day care, food, insurance, energy costs, and maintenance and improvements to a 45-year-old facility.

Second, Minnesota should be acting now to create more consumer choice in care and living options. Many older adults could live independently if community-based services were available and affordable. Others could be well-served by assisted living facilities. Unfortunately, those cost-efficient options just aren't available to many older adults.

Third, we should begin now to change how we pay for care. The state and federal governments pay for about three-fourths of the patients and residents in Minnesota nursing homes. As Pawlenty pointed out, the state budget can't keep absorbing the cost. But if individuals are going to be asked to plan for their own care costs, then we need to do things like making long-term care insurance more affordable through tax credits and through public/private partnerships where the government will reward a person or family for paying for a long-term care insurance policy. We need to educate people on the risks of not planning for long-term care.

While some of these reforms will have an upfront cost, all will result in long-term savings for the state. In the face of Minnesota's demographic challenges, though, we will pay sooner or later, in one way or another.

Right now, we are placing much of the burden on underpaid caregivers. If we don't make smart choices soon, the day is coming when the cost will be measured in declining care for our mothers and grandmothers.

Minnesota has the chance now to make sure that day never arrives.

Rick Carter is president/CEO of Care Providers of Minnesota. Gayle Kvenvold is president/CEO of the Minnesota Health & Housing Alliance.